

ANNUAL REPORT OF TRUSTEES OF TRUST FUNDS

The Trustees continue to invest the Capital Reserves and Trust Funds with great care in this very volatile market to insure the funds are fully protected. Although the rates are not as attractive as in the past, the funds are safe and are invested in certificates of deposit with TD Banknorth; Northway Bank and a Treasury note.

The Trustees attended the November 3, 2008 Seminar in Concord, conducted by Mrs. Terry Knowles from the Attorney General's Office Charitable Trusts Division. These Seminars are very informative for the Trustees of Trust Funds in this State and we welcome the opportunity to attend. We also attended a luncheon/informative session on December 16, 2008, hosted by TD Banknorth at the Manchester Country Club. The Bank representative provided updates on new products and various procedures.

We are fortunate to have trusts which provide scholarships to deserving Alton students at Prospect Mountain High School. As a result of the earnings from these scholarships the following amounts were awarded: The Ralph Jardine Scholarship \$200; William Messer Scholarship \$500 and the Houle Scholarship \$300.

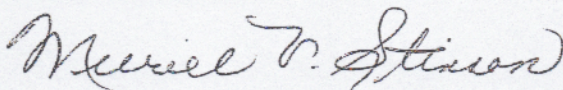
Although the earnings of the A.W. Heidke Fund Trust are lower, as a result of current interest rates, this unique Trust continues to provide assistance to several of our residents in the community who qualify. This service was established according to the instructions set forth in his will.

The Trustees monthly meetings are posted, and held in the Trustees office on the second level of the Town Hall, weather permitting. The Trustees continue to meet with Bank representatives periodically to review accounts and updates.

On December 21, 2008 we were saddened by the death of Trustee of Trust Funds Board member James C. Washburn. Prior to Jim's retirement, 20 years ago, he was employed by the Town of Stoughton, Mass as a Civil Engineer. He and his wife Fran moved to Alton where they made their home on beautiful Alton Mountain. For several years Jim was a member of the Board of Selectmen, prior to being elected to the Trustees of Trust Funds.

Our sympathy is extended to his lovely wife Fran of 52 years; a son James C. Washburn; a daughter Valerie Sexton and their spouses; six grandchildren and a brother, Carl Washburn. Jim will be missed.

Respectfully submitted,



Muriel V. Stinson, Chairman

Nancy D. Merrill, Board Member